
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 10.9.2009

Wall Street Journal: "Wall Street on Geithner's Speed Dial ... Treasury Secretary Timothy Geithner has kept frequent contact with an exclusive group of Wall Street executives since taking the helm at the Treasury, speaking most often with top officials from Goldman Sachs Group Inc., J.P. Morgan Chase & Co., Citigroup Inc. and BlackRock Inc."

Wall Street Journal: "The Dollar Adrift ... The biggest story in the world economy is the continuing fall of the U.S. dollar, or at least it is everywhere outside of Washington, D.C., the place most responsible for its declining value. For good reason, the world is wondering if America has cast the dollar adrift."

Wall Street Journal: "Boom, Bust. Repeat. ... The great 19th-century British journalist Walter Bagehot claimed that during each speculative upturn merchants and bankers "fancy the prosperity they see will last always, that it is only the beginning of a greater prosperity.""

Wall Street Journal: "Drought of Credit Hampers Recovery ... A year after the U.S. economy was brought to its knees by the bursting of the housing bubble, credit for consumers is still being aggressively ratcheted back."

Washington Post: "White House Faces Pressure on Jobs ... Eight months after enacting a massive economic stimulus package, the Obama administration is facing rising pressure from some congressional Democrats to move more aggressively to jump-start the moribund job market and try to spur a housing recovery."

Washington Post: "Mortgage Plan Gaining Steam ... The Obama administration touted progress on its foreclosure-prevention program Thursday after hitting an interim target of signing up 500,000 borrowers three weeks ahead of schedule."

Washington Post: "Wall Street Has Geithner's Ear ... As the federal government propped up the housing market and braced for the collapse of General Motors, Treasury Secretary Timothy F. Geithner capped a busy week this spring with phone conversations with three men."

Washington Post: "Housing Chief Rebuts Warning of FHA Bailout ... A former Fannie Mae executive warned a House panel Thursday that the Federal Housing Administration is destined for a multibillion-dollar taxpayer bailout in 24 to 36 months, an analysis that the agency's top official immediately dismissed as "completely unfounded."

NY Times: "U.S. Mortgage Backer May Need Bailout, Experts Say ... A year after Fannie Mae and Freddie Mac teetered, industry executives and Washington policy makers are worrying that another government mortgage giant could be the next housing domino."

NY Times: "Treasury Hails Milestone in Home Loan Modifications ... For months, troubled homeowners seeking to lower their mortgage payments under a federal plan have complained about bureaucratic bungling, ceaseless frustration and confusion."

NY Times: "Fed Is Split Over Timing of Rate Rise ... Fissures are developing among policy makers at the Federal Reserve as they debate how and when to start raising the benchmark interest rate from its current level just above zero."

LA Times: "Mortgage modification program hits initial target ... The often-criticized government program to help homeowners avoid home foreclosures has reached its initial goal for modifying mortgages -- after the Obama administration started prodding banks in July to move more quickly in easing loan terms."

LA Times: "FHA may be setting up repeat of housing bubble, lawmakers worry ... In the wake of the mortgage meltdown, the Federal Housing Administration has emerged as a pillar of the still wobbly housing market -- providing vital insurance that enables borrowers to qualify for loans with as little as 3.5% down."

LA Times: "The price of overdraft protection ... Open a checking account today and you'll be handed a plastic card that lets you withdraw cash from ATM machines or make purchases by transferring money from your account to a merchant's."

USA Today: "Report criticizes mortgage program ... A federal program that has cut mortgage payments for more than 500,000 homeowners since spring is falling well short of what's needed to fix the nation's foreclosure crisis, warns a congressional panel's report out Friday."

USA Today: "Legislators push to have credit card reforms effective sooner ... Lawmakers scolded banks Thursday for raising credit card rates for millions of consumers and businesses, saying their actions show the need to enact legislative reform quickly."

USA Today: "Fed boss Bernanke sees no rush to boost rates ... Federal Reserve Chairman Ben Bernanke signaled Thursday he has no immediate plans to unwind policies aimed at pumping money into credit markets and spurring the economy."

USA Today: "Mr. Geithner, Wall Street is on Line 1 (again) ... Even during his most frenzied days, when Congress is demanding answers or the president is calling, Treasury Secretary Timothy Geithner makes time to talk to a select group of powerful Wall Street bankers."

The Washington Times: "Mortgage relief on track, administration says ... The Obama administration said Thursday that its mortgage relief effort has helped 500,000 homeowners, and officials maintain the program is on track despite its disappointing launch."

Reuters: "Bernanke sees tighter policies as economy heals ... The U.S. Federal Reserve must continue to prop up the economy for an extended period but can't do so indefinitely for fear of triggering an inflationary surge, Federal Reserve Chairman Ben Bernanke warned on Thursday."

Reuters: "Anti-foreclosure programs are not enough: watchdog ... Government programs to fight the U.S. home foreclosure crisis look increasingly inadequate and should be reworked, expanded and supplemented with new ideas, a congressional watchdog said in a report on Friday."

Bloomberg: "Fed Said to Consider Clearing Bank, Facility to Drain (Update1) ... The Federal Reserve is considering accessing money market funds through clearing banks or creating a facility to drain the record amount of cash added to the financial system, according to people familiar with the plans."

Bloomberg: "Dollar Rises, Bonds Fall on Bernanke Comments; Commodities Drop ... The dollar rose against the yen and the euro and government bonds fell after Federal Reserve Chairman Ben S. Bernanke said the bank will tighten monetary policy once the economy improves. Commodities slipped."

Bloomberg: "Bernanke Ready to Tighten When Recovery Sufficient (Update1) ... Federal Reserve Chairman Ben S. Bernanke said the central bank will be prepared to tighten monetary policy when the outlook for the economy "has improved sufficiently.""